



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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FDIC Board Approves 2010 Operating Budget

FOR IMMEDIATE RELEASE

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) today approved a \$4.0 billion Corporate Operating Budget for 2010. The Board also revised the current 2009 budget to \$2.6 billion.

"The 2010 budget is a prudent and measured response to current conditions in the banking industry," said FDIC Chairman Sheila Bair. "It will ensure that we are prepared to handle an even-larger number of bank failures next year, if that becomes necessary, and to provide regulatory oversight for an even larger number of troubled institutions."

The 2010 operating budget will increase more than \$1.4 billion (55%) from 2009, primarily due to the cyclical nature of bank failures. The receivership funding component of the 2010 budget, the vast majority of which is funded by receiverships, will be \$2.5 billion, up from \$1.3 billion in 2009. This includes funding for the continuing work associated with bank failures that have occurred over the past two years. The budget also contains contingency funding for the possible continuation of an elevated number of bank failures in 2010. The 2010 budget increase also is partially attributable to increased supervisory activity related to the rising number of troubled banks which the FDIC oversees.

In conjunction with its approval of the 2010 operating budget, the Board also approved an authorized 2010 staffing level of 8,653 employees, up from 7,010 in 2009. Almost all the additional staff will be hired on a temporary basis. They will be hired primarily to assist with bank closings; to perform follow-on work related to the management and sale of failed bank assets; and to conduct bank examinations and perform other bank supervisory activities.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-228-2009

There were 25 bank failures in 2008 and 133 so far this year.

"It is important for the American people to know that none of the increase we are approving today will involve in any way the use of taxpayer funds," said Chairman Bair. "All of the FDIC's operating expenses are paid from the Deposit Insurance Fund—the DIF, which is fully funded by the deposit insurance premiums paid by individual banks around the country."

Attachment:

[Proposed 2010 Operating Budget](#) - PDF ([PDF Help](#))